

Message Text

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PAGE 01 STATE 091306
ORIGIN PM-04

INFO OCT-01 NEA-10 ISO-00 L-03 SS-15 OMB-01 IGA-02
EB-08 SP-02 AID-05 /051 R

DRAFTED BY PM/SAS:DHESTER:RG
APPROVED BY PM/SAS:ASKOCHANЕК
NEA/AFN:TWILKINSON
TREASURY:CCROSSWHITE
DOD/DSAA:RHAMMOND
L/PM:TBOREK

-----230640Z 091653 /14

P R 222114Z APR 77
FM SECSTATE WASHDC
TO AMEMBASSY TUNIS PRIORITY
INFO SECDEF
TREASURY

C O N F I D E N T I A L STATE 091306

E.O. 11652: GDS

TAGS: MASS, TS

SUBJECT: TUNISIAN DEFAULT ON FY 1975 FMS LOAN

1. FEDERAL FINANCING BANK (FFB) HAS INFORMED DEPARTMENT THAT IT HAS TRIED UNSUCCESSFULLY THROUGH TUNISIA'S WASHINGTON EMBASSY FOR THREE MONTHS TO OBTAIN UNPAID \$384,615.00 PORTION OF \$769,230 PRINCIPAL REPAYMENT, WHICH WAS DUE DECEMBER 31, 1976, UNDER PRINCIPAL REPAYMENT SCHEDULE FOR FY 1975 FMS LOAN AGREEMENT SIGNED JUNE 27, 1975. (FYI: SECTION 8.3 OF LOAN AGREEMENT PROVIDES THAT ALL ENQUIRIES, REQUESTS, OR DEMANDS BE

MADE TO LOCAL TUNISIAN MILITARY ATTACHE. DEPARTMENT HAD
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URGED FFB ON JANUARY 11 TO RESOLVE PROBLEM THROUGH TECHNICAL DISCUSSIONS WHICH HAVE BEEN UNSUCCESSFUL.
(END FYI.)

2. UNLESS PRINCIPAL REPAYMENT, PLUS INTEREST TO COVER LATE PAYMENT PERIOD (PER SECTION 2.3 OF LOAN AGREEMENT), IS RECEIVED BEFORE APRIL 29, FFB WILL FORWARD LETTER

TO DEFENSE SECURITY ASSISTANCE AGENCY COMPTROLLER ON THAT
DATE TO REGISTER FORMALLY DEFAULT ON THIS LOAN. NO RPT
NO FURTHER ADVANCES ON ANY FFB LOAN TO TUNISIA WILL BE
MADE UNTIL MATTER IS RESOLVED. GIVEN THESE CIRCUMSTANCES,
EMBASSY IS REQUESTED TO URGE GOT TO MAKE REQUIRED PAYMENT
IN ORDER TO AVOID DEFAULT SITUATION WHICH IF LEFT
UNRESOLVED, COULD ALSO PREJUDICE TUNISIAN ELIGIBILITY
FOR ECONOMIC AND OTHER FORMS OF ASSISTANCE.

3. GOT SHOULD WIRE \$384,615.00 PRINCIPAL REPAYMENT PLUS
INTEREST FOR THAT LATE PAYMENT, COMPUTED AT RATE OF
\$69.00 PER DAY FROM (AND INCLUDING) JANUARY 1, 1977, TO
DATE PAYMENT IS RECEIVED BY FFB TO FEDERAL RESERVE BANK
OF NEW YORK USING FOLLOWING CABLE ADDRESS:

UNITED STATES TREASURY
NEW YORK, NEW YORK
021030004
TREAS NYC/(20180006)
FOR CREDIT TO THE FEDERAL FINANCING BANK
TREASURY ANNEX NO.1, ROOM 426
WASHINGTON, D.C. 20226

PAYMENT IS NOT RPT NOT TO BE MADE BY CHECK.

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY ASSISTANCE PROGRAMS, LOANS
Control Number: n/a
Copy: SINGLE
Sent Date: 22-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE091306
Document Source: CORE
Document Unique ID: 00
Drafter: DHESTER:RG
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770141-1159
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770427/aaaaaxik.tel
Line Count: 88
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a7fd16a0-c288-dd11-92da-001cc4696bcc
Office: ORIGIN PM
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 22-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2718066
Secure: OPEN
Status: NATIVE
Subject: TUNISIAN DEFAULT ON FY 1975 FMS LOAN
TAGS: MASS, TS
To: TUNIS
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/a7fd16a0-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009